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## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Office of the City Auditor  
Seattle, Washington

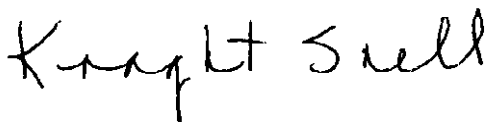
We have applied the procedures enumerated within this report, which were agreed to by the Office of the City Auditor, solely to assist the users in evaluating management's assertion about the Filipino Community of Seattle's compliance with contractual requirements of the Filipino Youth Empowerment Grant issued by the Seattle Department of Neighborhood on July 15, 1995 and ending July 31, 1996. This agreed upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described therein either for the purpose for which this report has been requested or for any other purpose.

Our procedures were the review of accounting and program records to determine whether the Filipino Community of Seattle complied with the terms and conditions of the attached Filipino Youth Empowerment Grant.

One reportable condition was noted during our review which related to changed scope of services not processed in accordance with the terms of the contract. Details on finding are attached to this report. No additional reportable conditions were noted as a result of applying the agreed upon procedures.

These agreed-upon procedures do not constitute an examination, the objective of which is the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information of the specified users listed above and should not be used by those who did not participate in determining the procedures. However, this report is a matter of public record and its distribution is not limited.



Seattle, Washington  
November 26, 1997

**Contract:** Filipino Youth Empowerment

**City Department:** Department of Neighborhoods

**Finding Title:** Contractual Requirements for Changes Was Not Followed

#### **Contract Requirement**

Section 418, "Changes", requires that:

"Either party may request changes in the scope of services, performance, or reporting standards to be performed or provided under this Agreement. Such changes, including any increase or decrease in the amount awarded to the project, which are mutually agreed upon by and between the Neighborhood Organization, Fiscal Agent, and the Department, shall be incorporated in written amendments to this Agreement."

#### **Condition**

Several items in the scope of services were materially changed. These changes were agreed to verbally but were not incorporated formally by amendment. These changes include:

1. Adult mentors were not provided for each young person in the program.
2. The Community Match was materially not generated and expended in accordance with Match Budget Detail.

#### **Recommendation**

The Department of Neighborhoods should process changes to grant contracts as a written amendment.

#### **Response from Department of Neighborhoods**

To be provided directly to the City Auditor's Office.